

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

**TESTIMONY IN SUPPORT OF SENATE BILL 0078:
Health Occupations - Service Members, Veterans, and Military Spouses - Temporary
Licensure, Certification, Registration, and Permitting**

TO: Chair Melony Griffith, and Members of the Senate Finance Committee

FROM: Ioana Stoica, Policy Advocate

DATE: Monday, January 30, 2023

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-wage workers and job seekers in Maryland. **JOTF strongly supports Senate Bill 0078 as a means of expanding occupational licensure access to our veterans and military families, and of more quickly filling positions in a field facing severe shortages with qualified professionals.**

The Institute for Justice ranks Maryland as 11th in most burdensome licensing laws and 20th in most broadly and onerously licensed state, with almost 60% of all low-income occupations requiring an occupational license. In 2015, the Obama administration released a framework for reforming occupational licensing policy. The subsequent FY2016 Budget included \$15 million for Department of Labor funding to identify, explore, and address areas where licensing requirements create barriers to labor market entry and labor mobility. This funding was used in part to establish a multi-year study of a consortium of 11 states, including Maryland. The Consortium final report, released in 2020, identified three populations facing the most significant barriers to employment due to licensure requirements: immigrants, individuals with a criminal record, and **veterans and military spouses**. Senate Bill 0078 would begin addressing this undue burden by requiring health occupations boards to issue temporary expedited licenses, certificates, or registrations to service members, veterans, and military spouses who meet educational and other competency requirements.

Military spouses and veterans relocate more frequently than the average US resident, and they routinely face obstacles in transferring their occupational licenses during these transitions, which are already fraught with many other challenges, such as acclimating to new schools and communities and maneuvering the logistics of moving. Transferring licenses is often expensive,

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time-consuming, and can cause families to struggle financially as they wait for approval and as they seek new employment. A 2017 U.S. Chamber of Commerce survey found that nearly half of military spouses describe their financial situation as ‘struggling’ or living ‘paycheck to paycheck.’ This study also found that active duty spouses earn 27% less than their peers in large part due to having to accept work not commensurate with their qualifications, due to difficulties arising from transferring their professional license.

Defense officials calculate that the US is home to over 16 million veterans and to more than 710,000 active duty military spouses. Of these, 132,000 active duty spouses work in occupations that require licensing, representing about 39% of military spouses who participate in the workforce. The Office of People Analytics estimates that 15% of active duty spouses are black compared to 13.5% of the US population, that 5% are other or multi-racial, compared to 4.3% of the US population, and that 90% are women. By expanding access to employment for these populations, this bill would reduce racial and gender employment and wage gaps, in line with research from the University of Chicago that shows that occupational licensing has reduced the racial wage gap between white and black men by 43 percent, and the gender wage gap between women and white men by 36 to 40 percent.

Workforce struggles of veterans and military families have been recognized by a bipartisan coalition at the federal level. President Biden signed the Military Spouse Licensing Relief Act into law on January 6th, 2023. This bill requires licensing reciprocity between states - but states must take action to implement this federal mandate. We strongly urge this committee to pass this bill as a means of expanding the labor pool in our State and of unlocking economic growth by supporting our military families and veterans in obtaining expedited access to employment. **We urge a favorable report on Senate Bill 0078.**

For more information, contact:

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